

Bobby Jindal
GOVERNOR



Kathy H. Kliebert
SECRETARY

State of Louisiana
Department of Health and Hospitals
Office of the Secretary

VIA ELECTRONIC MAIL ONLY

July 8, 2014

Bill Brooks
Associate Regional Administrator
Division of Medicaid & Children's Health
DHHS/Centers for Medicare and Medicaid Services
1301 Young Street, Room #833
Dallas, Texas 75202

Dear Mr. Brooks:

**RE: Louisiana Title XIX State Plan
Transmittal No. 14-23**

I have reviewed and approved the enclosed Louisiana Title XIX State Plan material. I recommend this material for adoption and inclusion in the body of the State Plan.

Sincerely,

A handwritten signature in blue ink, appearing to read "Kathy H. Kliebert".


Kathy H. Kliebert
Secretary

Attachments (2)

KHK/JRK/DB

**TRANSMITTAL AND NOTICE OF APPROVAL OF
STATE PLAN MATERIAL**

FOR: HEALTH CARE FINANCING ADMINISTRATION

1. TRANSMITTAL NUMBER: 14-23		2. STATE Louisiana
3. PROGRAM IDENTIFICATION: TITLE XIX OF THE SOCIAL SECURITY ACT (MEDICAID)		
TO: REGIONAL ADMINISTRATOR HEALTH CARE FINANCING ADMINISTRATION DEPARTMENT OF HEALTH AND HUMAN SERVICES		4. PROPOSED EFFECTIVE DATE July 1, 2014
5. TYPE OF PLAN MATERIAL (<i>Check One</i>): <input type="checkbox"/> NEW STATE PLAN <input type="checkbox"/> AMENDMENT TO BE CONSIDERED AS NEW PLAN <input checked="" type="checkbox"/> AMENDMENT COMPLETE BLOCKS 6 THRU 10 IF THIS IS AN AMENDMENT (<i>Separate Transmittal for each amendment</i>)		
6. FEDERAL STATUTE/REGULATION CITATION: 42 CFR 447, Subpart C		7. FEDERAL BUDGET IMPACT: a. FFY <u>2015</u> (\$88,362.51) b. FFY <u>2016</u> (\$355,756.91)
8. PAGE NUMBER OF THE PLAN SECTION OR ATTACHMENT: Attachment 4.19-D, Page 9.a(2)		9. PAGE NUMBER OF THE SUPERSEDED PLAN SECTION OR ATTACHMENT (<i>If Applicable</i>): Same (TN 13-40)
10. SUBJECT OF AMENDMENT: The purpose of this SPA is to amend the provisions governing the reimbursement methodology for nursing facilities in order to reduce the per diem rates paid to non-state nursing facilities. The per diem rate shall be reduced by \$90.26 of the rate in effect on June 30, 2014 until such time that the rate is rebased.		
11. GOVERNOR'S REVIEW (<i>Check One</i>): <input type="checkbox"/> GOVERNOR'S OFFICE REPORTED NO COMMENT <input checked="" type="checkbox"/> OTHER, AS SPECIFIED: <input type="checkbox"/> COMMENTS OF GOVERNOR'S OFFICE ENCLOSED The Governor does not review state plan material. <input type="checkbox"/> NO REPLY RECEIVED WITHIN 45 DAYS OF SUBMITTAL		
12. SIGNATURE OF STATE AGENCY OFFICIAL: 		16. RETURN TO: State of Louisiana Department of Health and Hospitals 628 N. 4th Street PO Box 91030 Baton Rouge, LA 70821-9030
13. TYPED NAME: Kathy H. Kliebert		
14. TITLE: Secretary		
15. DATE SUBMITTED: July 8, 2014		
FOR REGIONAL OFFICE USE ONLY		
17. DATE RECEIVED:		18. DATE APPROVED:
PLAN APPROVED – ONE COPY ATTACHED		
19. EFFECTIVE DATE OF APPROVED MATERIAL:		20. SIGNATURE OF REGIONAL OFFICIAL:
21. TYPED NAME:		22. TITLE:
23. REMARKS:		

LOUISIANA TITLE XIX STATE PLAN

TRANSMITTAL #: 14-23

TITLE: Nursing Facilities-Per Diem Rate Reduction

EFFECTIVE DATE: July 1, 2014

FISCAL IMPACT

Decrease

	year	% inc.		*# mos	range of mos.	dollars
1st SFY	2015		N/A	12	July 2014 - June 2015	(\$569,071,067)
2nd SFY	2016			12	July 2015- June 2016	(\$586,143,199)
3rd SFY	2017			12	July 2016 - June 2017	(\$603,727,495)

*#mos-Months remaining in fiscal year

	Total Decrease in Cost FFY	2015					
SFY	2015	(\$569,071,067)	for	12	months	July 2014 - June 2015	
		(\$569,071,067) /		12 X	3 months	July 2014 - September 2014	=
							<u>(\$142,267,767)</u>
							<u>(\$142,267,767)</u>

FFP (FFY 2015)= (\$142,267,767) X 62.11% = (\$88,362,510)

	Total Decrease in Cost FFY	2015					
SFY	2015	(\$569,071,067)	for	12	months	July 2014 - June 2015	
		(\$569,071,067) /		12 X	9	October 2014 - June 2015	=
							(\$426,803,300)
SFY	2016	(\$586,143,199)	for	12	months	July 2015- June 2016	
		(\$586,143,199) /		12 X	3	July 2015 - September 2015	=
							<u>(\$146,535,800)</u>
							<u>(\$573,339,100)</u>

FFP (FFY 2015)= (\$573,339,100) X 62.05% = (\$355,756,912)

- (5) Effective for dates of service on or after July 1, 2012, the per diem reimbursement for non-state (includes private) nursing facilities, excluding the provider fee, shall be reduced by \$32.37 of the rate on file as of June 30, 2012 (as described in Attachment 4.19-D, §I.C.2.v.(4)) until such time as the rate is rebased on July 1, 2012.
 - (6) Effective for dates of service on or after July 1, 2012, the average daily rates for non-state (includes private) nursing facilities shall be reduced by \$4.11 per day of the average daily rate on file as of June 30, 2012 after the sunset of the state fiscal year 2012 rebase and before the state fiscal year 2013 rebase.
 - (7) Effective for the dates of service on or after July 1, 2012, the average daily rates for non-state (includes private) nursing facilities shall be reduced by \$1.15 per day of the average daily rate on file as of June 30, 2012 after the sunset of the state fiscal year 2012 rebase and after the fiscal year 2013 rebase.
 - (8) Effective for the dates of service on or after July 20, 2012, the average daily rates for non-state (includes private) nursing facilities shall be reduced by 1.15 percent per day of the average daily rate on file as of July 19, 2012 after the sunset of the state fiscal year 2012 rebase and after the fiscal year 2013 rebase.
 - (9) Effective for dates of service on or after September 1, 2012, the average daily rates for non-state (includes private) nursing facilities shall be reduced by \$13.69 per day of the average daily rate on file as of August 31, 2012 before the state fiscal year 2013 rebase which will occur on September 1, 2012.
 - (10) Effective for the dates of service on or after September 1, 2012, the average daily rates for non-state (includes private) nursing facilities shall be reduced by \$1.91 per day of the average daily rate on file as of August 31, 2012 after the state fiscal year 2013 rebase which will occur on September 1, 2012.
 - (11) Effective for dates of service on or after July 1, 2013, the per diem rate paid to non-state (includes private) nursing facilities, excluding the provider fee, shall be reduced by \$53.05 of the rate in effect on June 30, 2013 until such time that the rate is rebased.
 - (12) Effective for dates of service on or after July 1, 2013, the per diem rate paid to non-state (includes private) nursing facilities, excluding the provider fee, shall be reduced by \$18.90 of the rate in effect on June 30, 2013 until such time that the rate is rebased.
 - (13) Effective for dates of service on or after July 1, 2014, the per diem rate paid to non-state (includes private) nursing facilities, shall be reduced by \$90.26 of the rate in effect on June 30, 2014 until such time that the rate is rebased.
- d. All capitalized costs related to the installation or extension of supervised automatic fire sprinkler systems or two-hour walls placed in service on or after July 1, 2006 will be excluded from the renovation/improvement costs used to calculate the FRV to the extent the nursing home is reimbursed for said costs in accordance with section 6.

TN# _____
Supersedes
TN# _____

Approval Date _____

Effective Date _____